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January 29, 2003

Chairman Richard Meserve U.S. Nuclear Regulatory Commission Washington, D.C. 20555 5-page fax

Additional Reasons to Deny XSOU 8790 -- Plutonium Problems Increase in Japan

## Dear Chairman Meserve:

I am writing to you to provide additional information pertinent to the Nuclear Regulatory Commission's consideration of export license application XSOU 8790, concerning export of depleted uranium (DU) for start-up testing in Japan's Rokkasho reprocessing plant. We continue to believe that the NRC should strongly oppose the export of DU for use in Rokkasho as operation of the facility will only lead to continued stockpiling of weapons-usable plutonium, further exacerbating the on-going plutonium crisis in Japan.

This week alone the Japanese plutonium industry has faced two major crises which impact the plutonium utilization program:

- 1) On January 27, the Nagoya High Court ruled that the safety assessment prepared before the start-up of the Monju breeder reactor was inadequate and that it could not be used as a basis for operation of the reactor. The court ruled in agreement with the plaintiffs' arguments that this faulty assessment was responsible for the sodium leak and fire in 1995. The court further ruled that merely updating the faulty report was inadequate as basis for future operation of the reactor.
- 2) On January 28, Japanese authorities acknowledged that 200 kilograms of plutonium were not accounted for at the Tokai Reprocessing Plant. The International Atomic Energy Agency issued a statement that it did not suspect diversion of the material had occurred, though Japanese authorities had allowed the accounting questions to remain unclear for many years. It is unsettling that this discrepancy has been revealed at the very time when operation of the much larger commercial-sized Rokkasho is being considered, raising questions about the ability of Japan to properly account for plutonium processed in that facility.

I am attaching articles about these two incidents and urge the NRC to assess the impacts of the incidents on the beleaguered plutonium program, including any plans to operate Rokkasho. It is clear that the plutonium utilization program lacks both political consensus and technical justification for it to move forward. The NRC should deny the license in question, particularly until such time as it is clear that the political, technical and economic problems associated with plutonium use and stockpiling in Japan are fully resolved.

Sincerely,

Tom Clements

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Deutsche Presse-Agentur January 27, 2003, Monday 05:46 Central European Time

Japan court annuls approval of Monju nuclear reactor

DATELINE: Tokyo

Japan's Nagoya High Court on Monday annuled the government's approval of the trouble-plagued Monju fast-breeder nuclear reactor in Tsuruga in northwestern Fukui prefecture, effectively keeping it shut. The court ruled in response to an appeal by plaintiffs, who are local residents, in a civil lawsuit seeking the permanent shutdown of the reactor. The court supported the plaintiffs' argument that shortcomings in the government's safety screenings before construction of the 280,000-kilowatt reactor were responsible for a massive leak of sodium coolant at the plant in December 1995.

Construction of the plant began in October 1985 in Tsuruga on the Sea of Japan coast some 370 kilometres west of Tokyo. The reactor was operating at 40 per cent of capacity when the leak of sodium coolant occurred, sparking a fire.

The governmental operator of the plant tried to cover up the accident and submitted a falsified report. Monju is an experimental reactor designated by the government as a prototype for future reactor models that would play a key part in the government's nuclear fuel recycling policy, under which plutonium will be produced through spent-fuel reprocessing. By burning plutonium-uranium mixed oxide (MOX), fast-breeder reactors like Monju can produce more plutonium than they consume. Plutonium, an extremely toxic substance, can be used to make nuclear warheads. The Monju reactor, though shut down, still has about 1.4 tons of plutonium inside it. Countries, including Britain, Germany, France and the United States, have scrapped projects for fast-breeder reactors after a series of accidents involving the reactors.

Japan Economic Newswire January 27, 2003

High court nullifles approval of Monju reactor

DATELINE: KANAZAWA,

The Nagoya High Court on Monday nullified the government's approval of the trouble-plagued Monju fast-breeder nuclear reactor in Tsuruga, Fukui Prefecture, effectively keeping it shut down. The court's Kanazawa branch ruled in response to an appeal by plaintiffs in a civil lawsuit seeking the permanent shutdown of the reactor. The court thus supported the plaintiffs' argument that shortcomings in the government's safety screenings before construction of the 280,000-kilowatt reactor were responsible for a massive leak of sodium coolant at the plant in December 1995. The central government will consider if it appeals the high court ruling to the Supreme Court, lawyers for the state said. In March 2000, the Fukui District Court dismissed the suit filed by local residents, saying the fast-breeder reactor's basic design was not at fault in the accident.

The government has since proceeded to allow the Japan Nuclear Cycle Development Institute to renovate the reactor, which has been shut down since the accident. The

32 plaintiffs, mainly residents of Tsuruga, are asking the high court to overturn the district court ruling that rejected their suit seeking annulment of the government's permission to build the plant. Construction of the plant began in October 1985 in the city on the Sea of Japan coast some 370 kilometers west of Tokyo. The reactor was operating at 40% of capacity when the leak of sodium coolant occurred, sparking a fire. The governmental operator of the plant tried to cover up the accident and submitted a falsified report. The lower court said the reactor does not pose 'any visible danger' to the lives or health of the plaintiffs despite the accident. The suit was initially filed with the district court in September 1985.

In the appeal, the plaintiffs said the lower court declared the reactor safe based on the basic design of conventional light-water reactors powered by uranium. They said the light-water type is completely different from fast-breeder reactors, which use plutonium-uranium mixed-oxide fuel. They claimed almost no safety assessments were done based on fast-breeder reactors, and alleged the ruling wrongly concluded that the reactor would be safe based on testimony by the defendants. Monju is an experimental reactor designated by the government as a prototype for future reactor models that, would play a key part in the government's nuclear fuel recycling policy, under which plutonium will be produced through spent-fuel reprocessing. By burning plutonium-uranium mixed oxide (MOX), fast-breeder reactors like Monju can produce more plutonium than they consume. Plutonium, an extremely toxic substance, can be used to make nuclear warheads. The Monju reactor, though shut down, still has about 1.4 tons of plutonium inside it. A number of countries, including Britain, Germany, France and the United States, have scrapped projects for fast-breeder reactors after a series of accidents involving the reactors.

Missing plutonium probe latest flap for Japan's beleaguered nuclear power industry

Tuesday, January 28, 2003

By KENJI HALL, Associated Press Writer

TOKYO - Japanese officials acknowledged Tuesday that it took a 15-year investigation to account for a more than 200-kilogram (440-pound) shortfall in plutonium at a major nuclear power facility, further damaging the industry's already wobbly safety record.

Tokyo began investigating a fuel-reprocessing plant in Tokai, central Japan, after the U.N. International Atomic Energy Agency pointed out in 1987 that the plant's records showed less plutonium than it was supposed to have.

A report wrapping up the investigation — submitted Tuesday to a government nuclear safety commission — found the nuclear material had either been safely disposed of or never existed to begin with, said Education and Science Ministry spokesman Keiji Tsukamoto.

Investigators ruled out the possibility that any plutonium had been taken from the facility or that any radiation had leaked outside the plant, which has produced a total of 6,890 kilograms (15,190 pounds) of plutonium since it began operating in 1977, Tsukamoto said.

"We never thought the plutonium had been stolen," another ministry spokesman, Masanori Nagal, said.

Instead, officials believe much of the plutonium was never produced.

Flawed plutonium output projections at Tokai forecast the facility would produce about 100 kilograms (220 pounds) more than it was actually capable of. Tsukamoto said another 94 kilograms (207 pounds) of plutonium had leaked into waste water that was contained at the plant, and 29 kilograms (64 pounds) was damaged in storage and rendered unusable.

The IAEA on Tuesday backed Tokyo in saying it believed no plutonium was removed from the plant.

"The agency remains confident in its conclusion that no nuclear material has been diverted from the facility," IAEA Director-general Mohamed ElBaradei said in a statement.

statement.

The IAEA began inspecting the facility in 1977. In November, it conducted a review of data from the past 25 years, the agency said.

While clearing up the case of the missing plutonium, the news of calculation errors and the time it took to find them underscored public concerns about safety from an industry already awash in reports of negligence and cover-ups.

"The Tokai plant is just a small, experimental fuel reprocessing plant. If that much plutonium went unaccounted for at Tokai, how does the government expect to deal with a larger, commercial-sized plant now being built?" asked Kazue Suzuki, an activist at Greenpeace Japan.

Resource-poor Japan relies on nuclear power for over a third of its electricity. Current plans call for as many as 10 new plants to boost nuclear-generated power to 42 percent of total output by 2011.

But the Japanese public has become increasingly wary of nuclear power since a 1999 radiation leak at a fuel-reprocessing plant — also in Tokai — killed two -workers.

That leak, the worst-ever nuclear accident in Japan, forced 161 people to evacuate their homes, and another 310,000 to stay indoors for 18 hours as a precaution. In all, 439 people were exposed to radiation.

Safety fears have been worsened by allegations last year that the nation's largest utility, Tokyo Electric Power Co., did not fully disclose data about structural problems at some of its nuclear reactors.

In a serious blow to the industry, a Japanese high court on Monday ruled in favor of residents seeking the permanent closure of a controversial fast-breeder reactor that has been closed since a 1995 accident.

The court cited a bungled cover-up of the accident, which included falsified reports and concealed video footage, in its decision.

The experimental reactor, which uses plutonium fuel instead of uranium and produces more plutonium that can be reused as fuel, had been the centerpiece of Japan's ambitions to expand its nuclear facilities.

Japan's national Mainichi newspaper predicted the ruling would have far-reaching repercussions for the industry.

"The government may be faced with re-inspecting and revamping its (nuclear) standards and practices," it said in an editorial Tuesday. "There are concerns that energy companies are hiding their problems."